

California Children's Services

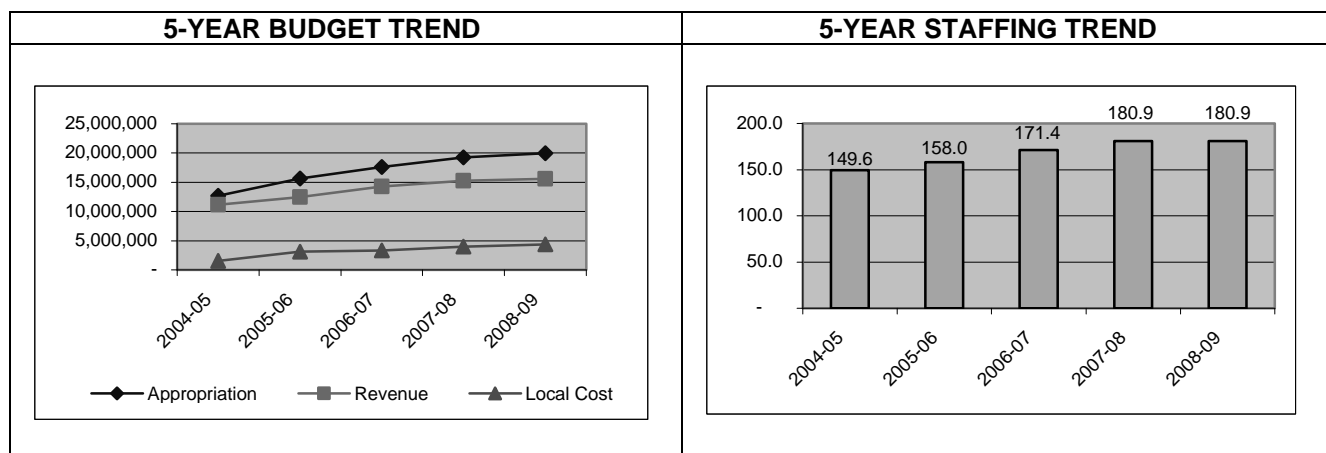
DESCRIPTION OF MAJOR SERVICES

California Children's Services (CCS) is a state program that provides case management, diagnosis, and treatment services to individuals up to 21 years of age with severe qualifying medical conditions and whose families are unable to pay for all or part of their care. State law requires the county to maintain a mandated minimum funding level. In addition to realignment dollars and the county's mandated contribution, funding also comes from Medi-Cal, private insurance, and patient co-payments. Revenues are based upon individual client eligibility for specific programs such as Medi-Cal, Healthy Families, or CCS alone (people who do not qualify for other programs or cannot afford to pay their Medi-Cal co-share payments).

The revenue breakdown among federal, state, realignment, and county general fund support depends on the type of services provided under this program. This program provides two types of services:

1. Administrative Component – Case management activities which include determining program eligibility, evaluating needs for specific services, determining the appropriate providers, and authorizing/paying for medically necessary care. Administrative funding is based on staffing standards and caseload mix of CCS clients. In other words, it depends on which federal, state, or county program in which the children are enrolled.
 - Medi-Cal accounts for approximately 69%. Federal and state funds reimburse CCS for 100% of the costs.
 - Healthy Families accounts for approximately 13%. This federal and state program reimburses CCS for 82.5% of the costs. The remaining 17.5% local share is equally funded by Social Services Realignment (8.75%) and general fund support (8.75%).
 - CCS or Non-Medi-Cal caseload accounts for approximately 18%. Federal and state funds account for 50% of the costs associated with treating this clientele. The remaining 50% is split equally between Social Services Realignment (25%) and general fund support (25%).
2. Medical Therapy Component – Provides physical therapy, occupational therapy, and medical therapy conference services. Licensed physical therapists and certified occupational therapists provide evaluation, treatment, consultation services, and case management. The state reimburses the county 50% of the costs incurred by this program. The remaining 50% is equally funded by Social Services Realignment and general fund support. Additionally, this program is allowed to bill Medi-Cal for therapy provided to Medi-Cal eligible clients. This revenue is split 75% state and 25% county. Approximately 70% of the caseload in the medical therapy component is Medi-Cal eligible.



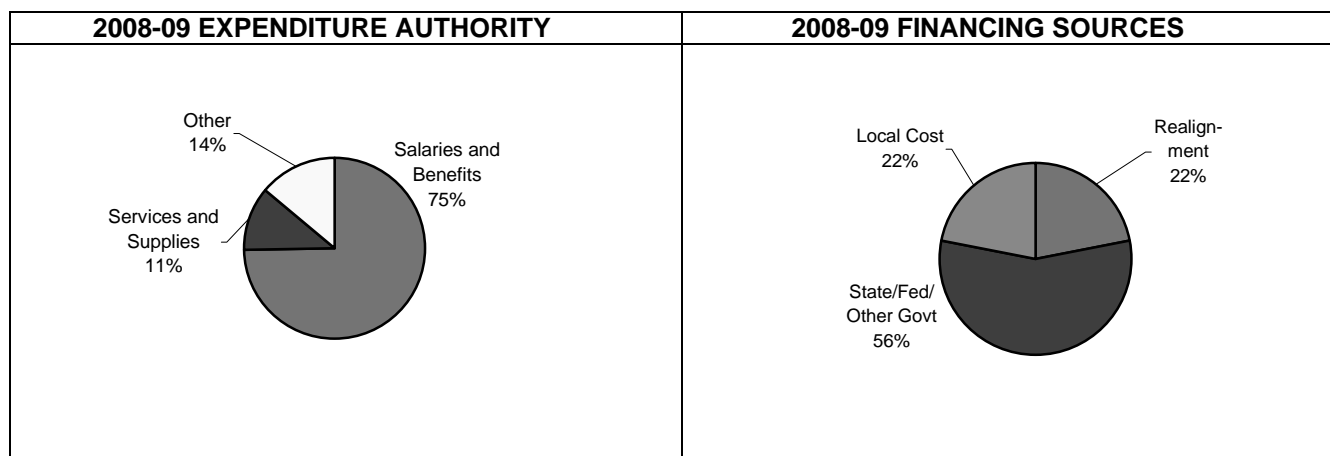
BUDGET HISTORY**PERFORMANCE HISTORY**

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	11,041,819	14,054,913	15,083,111	19,246,486	15,743,778
Departmental Revenue	9,118,390	11,023,247	11,962,630	15,262,299	12,458,215
Local Cost	1,923,429	3,031,666	3,120,481	3,984,187	3,285,563
Budgeted Staffing				180.9	

Actual appropriation for 2007-08 is less than modified budget primarily due to vacant positions which have been difficult to fill. Departmental revenue for 2007-08 is also less than modified budget due to reduced claims to the state coupled with a shift in caseload between Medi-Cal, Healthy Families, and CCS clients.



ANALYSIS OF FINAL BUDGET



GROUP: Health Care
DEPARTMENT: California Children's Services
FUND: General

BUDGET UNIT: AAA CCS
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
Appropriation							
Salaries and Benefits	9,091,788	10,568,993	11,177,521	11,718,736	14,926,700	14,892,433	(34,267)
Services and Supplies	1,335,375	1,649,341	1,600,579	1,768,628	1,783,631	2,061,842	278,211
Central Computer	-	-	128,066	133,912	133,912	154,738	20,826
Travel	-	-	-	-	-	73,000	73,000
L/P Struct/Equip/Vehicles	-	7,004	-	-	-	-	-
Transfers	614,656	1,829,575	2,176,945	2,170,166	2,402,243	2,778,656	376,413
Total Exp Authority	11,041,819	14,054,913	15,083,111	15,791,442	19,246,486	19,960,669	714,183
Reimbursements	-	-	-	(47,664)	-	-	-
Total Requirements	11,041,819	14,054,913	15,083,111	15,743,778	19,246,486	19,960,669	714,183
Departmental Revenue							
Realignment	1,923,419	3,012,979	3,120,482	3,285,562	3,984,187	4,359,733	375,546
State, Fed or Gov't Aid	7,098,263	7,983,596	8,800,737	9,142,750	11,247,878	11,206,763	(41,115)
Current Services	25,979	26,433	41,199	26,278	30,034	30,513	479
Other Revenue	70,729	239	212	3,625	200	3,927	3,727
Total Revenue	9,118,390	11,023,247	11,962,630	12,458,215	15,262,299	15,600,936	338,637
Local Cost	1,923,429	3,031,666	3,120,481	3,285,563	3,984,187	4,359,733	375,546
Budgeted Staffing					180.9	180.9	-

Salaries and benefits of \$14,892,433 fund 180.9 budgeted positions and is decreasing by \$34,267. The department had originally included increases of \$150,978 due to MOU adjustments and funding for 2.0 additional positions necessary to comply with state mandated staffing requirements.

However, as part of the 2008-09 Budget Hearing the Board of Supervisors directed the removal of new positions and reclassifications included in the departmental budgets receiving general fund financing for 2008-09. Based on this action, the final budget reflects the reduction of \$185,245 in appropriation and 2.0 in budgeted staffing. Associated revenue was also decreased by \$185,245.

Services and supplies of \$2,061,842 primarily include payments to the state and other providers for treatment costs and medical supplies. The increase of \$278,211 is related to treatment costs, slightly offset by the decrease resulting from a shift in the reporting of expenditures for certain office expenses into the transfers category.

Travel is a new appropriation unit for 2008-09 and the \$73,000 budgeted amount includes reimbursement for costs related to trips to Sacramento for state-mandated conferences and training. Travel also includes private mileage reimbursement to nursing and therapy staff that provide services at numerous locations throughout the county.



Transfers of \$2,778,656 include payments to the: 1) Public Health general fund budget unit for administrative costs, automated systems support, and nutritionist time; 2) Real Estate Department for lease costs; and 3) Human Resources for Employee Health and Productivity program and employment and advertising services. The increase of \$376,413 is primarily related to an increase in administrative costs paid to the Public Health fund budget unit, as well as a shift in the reporting of expenditures related to certain office expenses. These office expenses are now being reflected as payments to the Purchasing Department in accordance with the rules established by GASB 34.

Social Services Realignment and general fund support of \$4,359,733 are each increasing by \$375,546 to fund administrative expenses and cost of providing mandated treatment. State law requires the county to maintain a mandated minimum funding level for this program. This funding is provided 50% by Social Services Realignment and 50% by general fund support.

State aid revenue of \$11,206,763 is decreasing by \$41,115. The state share is not increasing at the same level as realignment and general fund support due to the distribution of caseload. Additionally, the decrease reflects decreased revenues associated with the reduction in staffing resulting from the Board's direction at the 2008-09 Budget Hearing